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October 18, 2016

Mr. Jeff S. Jordan
Assistant General Counsel
Office of Complaints Examination and Legal Administration
Federal Election Committee
999 E. Street, NW
Washington DC 20463

Re: MUR #7132 Michael Pitts

Dear Mr. Jordan:

On behalf of Michael Pitts, please find enclosed two documents that are related to the pending complaint. The first is the plea agreement entered into by Mr. Pitts in the Middle District of Louisiana. The second is the judgment rendered in the same manner.

Regarding the plea agreement, your attention is brought to Section B, paragraph 1 which reads:

Non-prosecution of Charges

The United States agrees that, if the Court accepts the defendant's guilty plea, it will not prosecute the defendant for any offenses related to the offense charged in the Bill of Information.¹ (Plea Agreement, Attachment 1)

While the money stolen from Amedysis PAC is not specifically mentioned in the factual basis on pages 7 – 9, it is stressed that much of Mr. Pitts' criminal scheme is not detailed. Rather, the entire loss attributable to Mr. Pitts was included as relevant conduct and in computing the entire amount owed in restitution and to whom.

Mr. Pitts received a sentence of four years to begin on November 14, 2016. Please see the judgment rendered by the Court, specifically page 5 of 6 wherein restitution is ordered in specific amounts to specific entities. Restitution is ordered payable to Amedysis PAC, L.L.C. in the amount of \$79,640.00. It is further specified that this amount shall be paid before the larger portion due to Westchester Fire Insurance Company. (Judgement, Attachment 2)

¹ Page 13, paragraph 3 of the Plea Agreement provides:

The agreement does not bind any federal, state or local prosecuting authority other than the United States Attorney's Office for the Middle District of Louisiana. It is assumed if referred for criminal prosecution, the proper jurisdiction would fall to the Middle District of Louisiana where acts that constituted the crime occurred.

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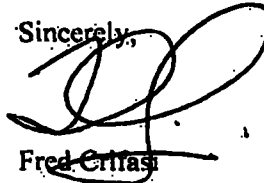
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Please know that Mr. Pitts is willing to cooperate with your investigation in anyway necessary. He will assure your office that Amedysis PAC had no knowledge of the measures he took and that he accomplished this on his own. He has been punished harshly for his crimes and will be paying for this for the remainder of his life.

Your office is respectfully requested to consider these factors in its determination of an appropriate course of action. If under the circumstances a conciliation is deemed appropriate, please know that Mr. Pitts will comply with any and all apt requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Critas", written over a horizontal line.

FTC/tct

Attachments

cc: Mr. Michael Pitts

UNITED STATES DISTRICT COURT

MIDDLE DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA .

versus

CRIMINAL NO. 16-

MICHAEL DAVID PITTS

WAIVER OF INDICTMENT

I, MICHAEL DAVID PITTS, the above-named defendant, charged in a Bill of Information with wire fraud, a violation of Title 18, United States Code, Section 1343, understand:

- (a) the nature of the charge brought against me, and
- (b) that I am entitled, under the Fifth Amendment of the United States Constitution, to have the charge instituted by a Grand Jury Indictment.

I voluntarily waive my right to have the charge set forth in the Bill of Information presented to a Grand Jury and agree that the proceedings may be instituted by a Bill of Information.

Dated this 3rd day of March, 2016, at Baton Rouge, Louisiana.

MICHAEL DAVID PITTS
DEFENDANT

FRED CRIFASI
COUNSEL FOR DEFENDANT

Attachment 1

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA

versus

MICHAEL DAVID PITTS

CRIMINAL NO. 16-

PLEA AGREEMENT

The United States Attorney's Office for the Middle District of Louisiana ("the United States") and MICHAEL DAVID PITTS ("the defendant") hereby enter into the following plea agreement pursuant to Fed. R. Crim. P. 11(c).

A. THE DEFENDANT'S OBLIGATIONS

1. Guilty Plea

The defendant agrees to enter a plea of guilty to a Bill of Information charging him with Wire Fraud in violation of 18 U.S.C. § 1343.

2. Financial Information

The defendant agrees to fully and truthfully complete the financial statement provided to him by the United States and to return the financial statement to the United States within ten days of this agreement being filed with the Court. Further, the defendant agrees to provide the United States with any information or documentation in his possession regarding his financial affairs and to submit to a debtor's examination upon request. Any financial information provided by the defendant may be used by the United States to collect any

financial obligations imposed in this prosecution and may be considered by the Court in imposing sentence.

3. Waiver of Indictment

Through this agreement, the defendant hereby waives his right under the Fifth Amendment of the United States Constitution to have the charge contained in the Bill of Information instituted by a Grand Jury Indictment. The defendant agrees to express and execute such waiver at the arraignment and at any other point in the proceedings. The defendant understands the nature of the charge against him and agrees that the proceedings may be instituted by a Bill of Information.

4. Cooperation

The defendant hereby waives the Fifth Amendment privilege against self-incrimination and agrees to cooperate with the United States by providing complete and truthful information whenever, wherever, to whomever, and in whatever form an attorney for the United States or federal law enforcement agent requests, including by providing oral answers to questions, written statements, answers to interrogatories, testimony in court, testimony before a grand jury, and documents and other items.

The defendant agrees not to disclose to anyone (other than his attorney) his cooperation, the existence of any federal investigation in which he cooperates, or any information learned as a result of his cooperation without authority from an attorney for the United States or a federal law enforcement agent.

The United States is not obligated to receive, agree to, or act upon information or other cooperation which the defendant may wish to provide.

1-800-4-V-2-N-1

2. Motion for Third Point for Acceptance of Responsibility

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The United States acknowledges that the defendant has assisted authorities in the investigation or prosecution of the defendant's own misconduct by timely notifying authorities of his intention to enter a plea of guilty, thereby permitting the United States to avoid preparing for trial and permitting the United States and the Court to allocate their resources efficiently. The United States therefore agrees that, if the Court finds that the defendant qualifies for a two-level decrease in offense level for acceptance of responsibility under USSG § 3E1.1(a) and, prior to the operation of USSG § 3E1.1(a), the defendant's offense level is 16 or greater, the United States will move the Court pursuant to USSG § 3E1.1(b) to decrease the defendant's offense level by one additional level. The United States reserves the right to object to a decrease in offense level for acceptance of responsibility based on information received by the United States after the effective date of this agreement, including information that the defendant failed to timely submit the financial statement required by Section A(2) of this agreement.

3. Advising Court of Cooperation

The United States agrees to inform the Court at or before sentencing of the extent and value of any cooperation by the defendant pursuant to this agreement, regardless of whether such cooperation constitutes "substantial assistance" within the meaning of USSG § 5K1.1. The evaluation of whether and to what extent the defendant has cooperated with the United States, and the value of any cooperation, shall be solely within the discretion of the United States. The United States is not obligated to file any motion with the Court based on the defendant's cooperation, including any motion under USSG § 5K1.1 or Fed. R. Crim. P. 35.

If a motion is filed, the Court, in its sole discretion, may or may not grant a departure from the United States Sentencing Guidelines or reduce the sentence after its imposition.

C. SENTENCING

1. Maximum Statutory Penalties

The maximum possible penalty is a term of imprisonment of 20 years, a fine of up to \$250,000 or twice the gross gain or twice the gross loss, whichever is greater, and a term of supervised release of three years.

In addition to the above, the Court must impose a special assessment of \$100 per count which is due at the time of sentencing. The Court may also order restitution.

2. Supervised Release

Supervised release is a period following release from imprisonment during which the defendant's conduct is monitored by the Court and the United States Probation Office and during which the defendant must comply with certain conditions. Supervised release is imposed in addition to a sentence of imprisonment, and a violation of the conditions of supervised release can subject the defendant to imprisonment over and above any period of imprisonment initially ordered by the Court for a term of up to two years, without credit for any time already served on the term of supervised release.

3. Sentencing Guidelines

The Court will determine in its sole discretion what the defendant's sentence will be. While the Court must consider the United States Sentencing Guidelines in imposing sentence, the Sentencing Guidelines are not binding on the Court. The Court could impose

any sentence up to the maximum possible penalty as set out above despite any lesser or greater sentencing range provided for by the Sentencing Guidelines.

4. Agreement Regarding Sentencing

The defendant and the United States agree, pursuant to 18 U.S.C. § 3663(a)(3), that the Court shall not be limited to the count of conviction for purposes of ordering restitution. As a condition of this plea agreement, the defendant agrees that the Court will order full restitution to Amedisys in the amount of \$7,641,528. Otherwise, except as set forth in this agreement, the United States makes no promises, representations, or agreements regarding sentencing. In particular, the United States reserves the right to present any evidence and information to the Court and the United States Probation Office regarding sentencing.

5. Forfeiture

The defendant agrees to forfeit any property constituting, or derived from, proceeds he obtained directly, or indirectly, as a result of the offense charged in the Bill of Information. The defendant admits that the amount of the proceeds derived from the offense was \$7,641,528. He therefore agrees to forfeit to the United States a sum of money equal to \$7,641,528 in United States currency and consents to entry of a personal money judgment against him in such amount.

The defendant understands that forfeiture of his property, including by payment of a money judgment, will not be treated as satisfaction of any fine, restitution, cost of imprisonment, or other penalty which may be imposed upon him as part of his sentence. The defendant further understands that, separate and apart from his sentence in this case, the

United States may also institute civil or administrative forfeiture proceedings of any property, real or personal, which is subject to forfeiture.

The defendant agrees to fully and truthfully disclose the existence, nature, and location of all assets and to fully and completely assist the United States in the recovery and forfeiture of all forfeitable assets, including taking all steps as requested by the United States to pass clear title to forfeitable assets to the United States. The defendant agrees to hold the United States, its agents, and its employees harmless from any claims whatsoever in connection with the seizure or forfeiture of property pursuant to the Court's forfeiture orders.

The defendant hereby waives the following: (1) all statutory and constitutional defenses to the forfeiture, including any claim that the forfeiture constitutes an excessive fine or punishment; (2) any failure by the Court to ensure at sentencing that the defendant is aware of the forfeiture or to incorporate the forfeiture in the judgment as required by Fed. R. Crim. P. 32.2(b)(4)(B); and (3) any failure by the Court to inform the defendant of, and determine that the defendant understands, the applicable forfeiture prior to accepting the defendant's plea.

D. FACTUAL BASIS

The United States and the defendant stipulate to the following facts:

On March 5, 2012, Michael David Pitts caused Amedisys to purchase false and fictitious tax credits valued at \$222,500. The payment was executed by an interstate wire transfer initiated in Baton Rouge and concluded at banks outside the State of Louisiana.

Michael David Pitts ("Pitts") was employed at Amedisys, Inc. ("Amedisys") on January 17, 2005 and continued such employment until July 31, 2014. Pitts was initially hired as the Amedisys Tax Director, and in 2006, assumed the title, role, and responsibilities of Vice-President of Tax ("Tax-VP"). As the Tax-VP, he was responsible for all Amedisys tax matters, including the preparation of state and federal tax returns and

the payment of state income taxes in the various states where Amedisys operated its business. Pitts was afforded a degree of operational autonomy.

As the Tax-VP, Pitts was encouraged to identify means of reducing Amedisys' tax liabilities. In order to reduce the Amedisys tax liabilities in the States of Louisiana, Georgia, Michigan, and Oklahoma, Pitts purchased tax credits in each of these States.

On behalf of Amedisys, Pitts purchased various state tax credits from Stonehenge Capital Company, LLC through a subsidiary known as Stonehenge Entertainment, LLC ("Stonehenge Capital—Stonehenge Entertainment"), a local broker who bought and sold tax credits. Specifically, Pitts purchased Georgia film tax credits, Louisiana franchise tax credits, and Louisiana new market tax credits. The state tax credits were applied, and used, to reduce Amedisys' Georgia and Louisiana income tax liabilities.

The Scheme To Defraud

Pitts created a knockoff company known as "Stonehenge Entertainment," a name nearly identical to the legitimate enterprise known as Stonehenge Capital—Stonehenge Entertainment. Pitts solely controlled and benefitted from Stonehenge Entertainment. Pitts' Stonehenge Entertainment maintained an account #5757 at Capital One Bank, N.A. The name was chosen because of its close similarity to the legitimate company known as Stonehenge Capital—Stonehenge Entertainment. The real Stonehenge Capital—Stonehenge Entertainment maintained account #8843 at National City Bank in Cleveland, Ohio and #0275 at JP Morgan Chase Bank.

Pitts used the knockoff company to defraud Amedisys; in short, Pitts created false tax credits in the name of the knockoff company and then caused Amedisys to pay his knockoff company for the purchase of the fictitious tax credits. Pitts used the fraud proceeds for his personal enrichment.

The use of the knockoff company name avoided detection of the fraud.

Additionally, Pitts created another company known as Evergreen Incentives, LLC ("Evergreen Incentives"), which company he also utilized to carry out his scheme to defraud. Evergreen Incentives maintained an account #9952 at Regions Bank.

In order to carry out the scheme to defraud, Pitts created false and fictitious "Tax Credit Transfer Agreements." To execute his scheme, Pitts created and submitted "Requests for Payment," which sought corporate approval to buy the false and fictitious tax credits, and "Requests for Wire Payment," which achieved the objective of diverting Amedisys funds for his personal enrichment.

The Tax Credit Transfer Agreements falsely represented that Amedisys had purchased tax credits issued by the States of Louisiana, Georgia, California, Oklahoma, and Michigan.

Pitts submitted the Requests for Payment to corporate officers for approval. Because Pitts enjoyed the status and respect of VP-Tax for Amedisys, corporate officers routinely approved the tax credit purchases submitted by Pitts.

The Requests for Wire Payment were the actual wire transfer instructions which Pitts gave to Amedisys staff in order to pay for the purchase of the bogus tax credits. Pitts directed the proceeds of the fraud into bank accounts which he controlled at Capital One (Stonehenge Entertainment) and Regions Bank (Evergreen Incentives).

Use of Interstate Wire Communications

In order to divert Amedisys funds to his personal enjoyment, Pitts caused accounts payable personnel to wire Amedisys funds into his knockoff Stonehenge Entertainment account #5757 at Capital One Bank and his Evergreen Incentives account #9952 at Regions. On 21 occasions, wire transfers were initiated using computers and servers located in the Middle District of Louisiana and routed to bank servers located outside the State of Louisiana.

Execution of Scheme

In or about March 2012, Pitts caused Amedisys to purchase Oklahoma tax credits from Evergreen Incentives. According to the "Oklahoma Tax Credit Purchase Agreement ("OK Purchase Agreement"), Amedisys bought \$250,000 of 2011 film tax credits from Evergreen Incentives for the amount of \$222,500. Pitts signed the OK Purchase Agreement on behalf of Amedisys and submitted the proposed Purchase Agreement to Amedisys's corporate officers for approval, including the Senior Vice President and the Chief Executive Officer. Relying upon the representations of Pitts, each executive approved of the purchase as proposed, unaware that the tax credits were a sham transaction created by Pitts for his personal enrichment.

On or about March 5, 2012, Pitts submitted a "Request for Wire Payment" to the accounts payable personnel of Amedisys. As requested, Amedisys A/P personnel located in Baton Rouge initiated a wire transfer from Amedisys's JPMorgan Chase Bank ("Chase") account. The March 5, 2012 wire transaction transferred \$222,500 from Amedisys's Chase general ledger cash account to Pitts' Evergreen account #9952 at Regions Bank. Regions Bank wire transfer processing operations, and its servers, were located outside the State of Louisiana.

Amedisys paid Pitts' companies \$7,641,528 for the purchase of fictitious tax credits. Pitts used the funds to purchase land, homes, and commercial property, as well as pay off mortgages, credit card debts, and school loans. An unknown amount of the proceeds were spent on gambling activities.

The defendant admits that, to the best of his knowledge and belief, the stipulated statement of facts is true and correct in all respects. The United States and the defendant agree that, had

14-00000-1

this matter gone to trial, the United States could have proved such facts. The United States and the defendant further agree that such facts are sufficient to support conviction of the offense to which the defendant has agreed to plead guilty. The defendant understands that, by the terms of USSG § 6B1.4, the Court is not limited by the stipulated facts for purposes of sentencing. Rather, in determining the factual basis for the sentence, the Court will consider the stipulation, together with the results of the presentence investigation and any other relevant information.

E. BREACH AND ITS CONSEQUENCES

1. Conduct Constituting Breach

Any of the following actions by the defendant constitutes a material breach of this agreement:

- a. failing to plead guilty to the Bill of Information at arraignment;
- b. representing, directly or through counsel, to the United States or the Court that he will not plead guilty to the Bill of Information;
- c. moving to withdraw his guilty plea;
- d. filing an appeal or instituting other post-conviction proceedings not authorized in Section F(2);
- e. disputing or denying guilt of the offense to which the defendant has agreed to plead guilty or denying or disputing any fact contained in the stipulated factual basis;
- f. failing or refusing to waive indictment in open court at arraignment;
- g. concealing or disposing of assets with the specific intent of shielding such assets from forfeiture;
- h. refusing to provide information or testimony;

- i. disclosing, without authority, his cooperation, the existence of any federal investigation in which he cooperates, or any information learned as a result of his cooperation;
- j. providing false, misleading, or incomplete information or testimony, including financial information and testimony provided pursuant to Section A(2), to the United States; or
- k. violating the terms of this agreement in any other manner.

2. Consequences of Breach

In the event of a breach by the defendant, the United States is relieved of its obligations under the agreement. In particular, the United States may prosecute the defendant for any criminal offense. In addition, any statements and information provided by the defendant pursuant to this agreement or otherwise, and any information and evidence derived therefrom, may be used against the defendant in this or any other prosecution or proceeding without limitation. Such statements and information include, but are not limited to, the plea agreement itself (including the factual basis contained in Section D), statements made to law enforcement agents or prosecutors, testimony before a grand jury or other tribunal, statements made pursuant to a proffer agreement, statements made in the course of any proceedings under Rule 11, Fed. R. Crim. P. (including the defendant's entry of the guilty plea), and statements made in the course of plea discussions. The defendant expressly and voluntarily waives the protection afforded by Fed. R. Evid. 410 as to any statements made by him personally (but not as to statements made by his counsel). The defendant is not entitled to withdraw his guilty plea.

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reasonable doubt. By waiving his right to a trial and pleading guilty, the defendant is waiving these trial rights.

2. Waiver of Appeal and Collateral Remedies

Except as otherwise provided in this section, the defendant hereby expressly waives the right to appeal his conviction and sentence, including any appeal right conferred by 28 U.S.C. § 1291 and 18 U.S.C. § 3742, and to challenge the conviction and sentence in any post-conviction proceeding, including a proceeding under 28 U.S.C. § 2241, 28 U.S.C. § 2255, or 18 U.S.C. § 3582(c)(2). This waiver applies to any challenge on appeal or in any post-conviction proceeding to any aspect of the defendant's sentence, including imprisonment, fine, special assessment, restitution, forfeiture or the length and conditions of supervised release or probation. The defendant, however, reserves the right to appeal the following: (a) any sentence which is in excess of the statutory maximum; (b) any sentence which is an upward departure pursuant to the Sentencing Guidelines; and (c) any non-Guidelines sentence or "variance" which is above the guidelines range calculated by the Court. Notwithstanding this waiver of appeal and collateral remedies, the defendant may bring any claim of ineffectiveness of counsel.

3. Waiver of Statute of Limitations

The defendant hereby waives all defenses based on the applicable statutes of limitation as to the offense charged in the Bill of Information and all offenses that the United States has agreed not to prosecute, as long as such offenses are not time-barred on the effective date of this agreement. The defendant likewise waives any common law, equitable, or constitutional claim of pre-indictment delay as to such offenses, as long as such offenses

are not time-barred on the effective date of this agreement. The waivers contained in this paragraph will expire one year after the date of any of the following: (1) a judicial finding that defendant has breached the plea agreement; (2) the withdrawal of any plea entered pursuant to this plea agreement; or (3) the vacating of any conviction resulting from a guilty plea pursuant to this plea agreement.

4. Waiver of Speedy Trial Rights

The defendant hereby waives any common law, equitable, or constitutional claim regarding post-indictment delay as to the offense charged in the Bill of Information. The waiver contained in this paragraph will expire one year after the date of any of the following: (1) a judicial finding that defendant has breached the plea agreement; (2) the withdrawal of any plea entered pursuant to this plea agreement; or (3) the vacating of any conviction resulting from a guilty plea pursuant to this plea agreement.

G. EFFECT OF AGREEMENT

1. Effective Date

This agreement is not binding on any party until signed by the defendant, defendant's counsel, and an attorney for the United States. Once signed by the defendant, his counsel, and an attorney for the United States, the agreement is binding on the defendant and the United States.

2. Effect on Other Agreements

This agreement supersedes any prior agreements, promises, or understandings between the parties, written or oral, including any proffer agreement.

3. Effect on Other Authorities

The agreement does not bind any federal, state, or local prosecuting authority other than the United States Attorney's Office for the Middle District of Louisiana.

4. Effect of Rejection by Court

Pursuant to Fed. R. Crim. P. 11, the Court may accept or reject this plea agreement. If the Court rejects the plea agreement, the plea agreement is no longer binding on the parties and is not binding on the Court. If the Court rejects the plea agreement, the defendant will be given the opportunity to withdraw his plea and such withdrawal will not constitute a breach of the agreement. If the defendant does not withdraw his plea following rejection of the plea agreement, the disposition of the case may be less favorable to the defendant than contemplated by the plea agreement.

H. REPRESENTATIONS AND SIGNATURES

1. By The Defendant

I, MICHAEL DAVID PITTS, have read this plea agreement and have discussed it with my attorney. I fully understand the agreement and enter into it knowingly, voluntarily, and without reservation. I have not been threatened, intimidated, pressured, or coerced in any manner. I am not under the influence of any substance or circumstance that could impede my ability to understand the agreement and its consequences.

I affirm that absolutely no promises, agreements, understandings, or conditions have been made, agreed to, or imposed by the United States in connection with my decision to plead guilty except those set forth in this agreement.

I acknowledge that no promises or assurances have been made to me by anyone as to what my sentence will be. I understand that representations by my attorney (or anyone else) regarding application of the Sentencing Guidelines and/or my possible sentence are merely estimates and are not binding on the Court.

I have read the Bill of Information and have discussed it with my attorney. I fully understand the nature of the charge. I understand that I am entitled, under the Fifth Amendment of the United States Constitution, to have the charge instituted by a Grand Jury Indictment.

I have accepted this plea agreement and agreed to plead guilty because I am in fact guilty of the offense charged in the Bill of Information.

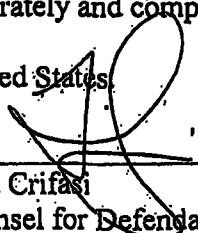
I am satisfied with the legal services provided by my attorney and have no objection to the legal representation I have received.


MICHAEL DAVID PITTS
Defendant

DATE: 3/1/2016

2. By Defense Counsel

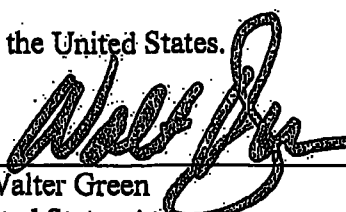
I have read this plea agreement and have discussed it with my client, MICHAEL DAVID PITTS, who is the defendant in this matter. I am satisfied that the defendant understands the agreement and is entering into it knowingly and voluntarily. The agreement accurately and completely sets forth the entire agreement between the defendant and the United States.


Fred Crifasi
Counsel for Defendant

DATE: 3-3-16

3. By the United States

We accept and agree to this plea agreement on behalf of the United States. The agreement accurately and completely sets forth the entire agreement between the defendant and the United States.



J. Walter Green
United States Attorney
Middle District of Louisiana

DATE: _____

Rene I. Salomon
Assistant United States Attorney
Middle District of Louisiana

DATE: _____

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA

v.

MICHAEL DAVID PITTS

§ JUDGMENT IN A CRIMINAL CASE

§

§

§

Case Number: 3:16-CR-00016-JWD-RLB(1)

§

USM Number: 08371-095

§

Fred T. Crifasi

§

Defendant's Attorney

THE DEFENDANT:

<input checked="" type="checkbox"/>	pleaded guilty to count(s)	1 of the Bill of Information
<input type="checkbox"/>	pleaded guilty to count(s) before a U.S. Magistrate Judge, which was accepted by the court.	
<input type="checkbox"/>	pleaded nolo contendere to count(s) which was accepted by the court	
<input type="checkbox"/>	was found guilty on count(s) after a plea of not guilty	

The defendant is adjudicated guilty of these offenses:

Title & Section / Nature of Offense

18:1343 Wire Fraud

Offense Ended

03/05/2012

Count

1

The defendant is sentenced as provided in pages 2 through 6 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s)

☐ Count(s) ☐ is ☐ are dismissed on the motion of the United States

If it is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

October 12, 2016

Date of Imposition of Judgment

Signature of Judge

John W. deGravelles

UNITED STATES DISTRICT JUDGE

Name and Title of Judge

Date

10/14/16

Attachment 2

DEFENDANT: MICHAEL DAVID PITT
CASE NUMBER: 3:16-CR-00016-JWD-RLB(1)

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of:
48 months as to count 1.

- ☒ The court makes the following recommendations to the Bureau of Prisons: Mental Health Treatment and Alcohol Abuse Treatment
- ☐ The defendant is remanded to the custody of the United States Marshal.
- ☐ The defendant shall surrender to the United States Marshal for this district:
- ☐ at ☐ a.m. ☐ p.m. on
- ☐ as notified by the United States Marshal.
- ☒ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:
- ☐ before 2 p.m. on
- ☐ as notified by the United States Marshal.
- ☒ as notified by the Probation or Pretrial Services Office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to

at _____, with a certified copy of this judgment.

UNITED STATES MARSHAL

By
DEPUTY UNITED STATES MARSHAL

DEFENDANT: MICHAEL DAVID PITTS
CASE NUMBER: 3:16-CR-00016-JWD-RLB(1)

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of: three (3) years.

The defendant must report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.

- ☒ The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. *(Check, if applicable.)*
- ☒ The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. *(Check, if applicable.)*
- ☒ The defendant shall cooperate in the collection of DNA as directed by the probation officer. *(Check, if applicable.)*
- ☐ The defendant shall comply with the requirements of the Sex Offender Registration and Notification Act (42 U.S.C. § 16901, et seq.) as directed by the probation officer, the Bureau of Prisons, or any state sex offender registration agency in which he or she resides, works, is a student, or was convicted of a qualifying offense. *(Check, if applicable.)*
- ☐ The defendant shall participate in an approved program for domestic violence. *(Check, if applicable.)*

If this judgment imposes a fine or restitution, it is a condition of supervised release that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

STANDARD CONDITIONS OF SUPERVISION

1. the defendant shall not leave the judicial district without the permission of the court or probation officer;
2. the defendant shall report to the probation officer in a manner and frequency directed by the court or probation officer;
3. the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
4. the defendant shall support his or her dependents and meet other family responsibilities;
5. the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
6. the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
7. the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
8. the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
9. the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
10. the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
11. the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
12. the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
13. as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

DEFENDANT: MICHAEL DAVID PITTS
CASE NUMBER: 3:16-CR-00016-JWD-RLB(1)

SPECIAL CONDITIONS OF SUPERVISION

The defendant shall participate in an alcohol assessment and/or treatment program and residential treatment if needed, and shall assist in the cost of said treatment, as approved by the probation officer.

The defendant shall participate in a mental health assessment and/or treatment program and shall assist in the cost of said treatment, as approved by the probation officer.

The defendant shall refrain from any form of gambling and shall participate in a program for the treatment of gambling addiction, and shall assist in the cost of said treatment, as approved by the probation officer.

The defendant shall not enter, frequent, or be involved with any legal or illegal gambling establishment or activity, except for the purpose of employment, as approved by the probation officer.

The defendant shall provide the probation officer with access to any requested financial information.

The defendant shall not incur new credit charges or open additional lines of credit, or negotiate or consummate any financial contracts without the approval of the probation officer.

The defendant shall submit his or her person, property, house, residence, vehicle, papers or computers (as defined in 18 U.S.C. § 1030(e)(1)), other electronic communications or data storage devices or media, or office, to a search conducted by a United States probation officer. Failure to submit to a search may be grounds for revocation of release. The defendant shall warn any other occupants that the premises may be subject to searches pursuant to this condition. An officer may conduct a search pursuant to this condition only when reasonable suspicion exists that the defendant has violated a condition of his/her supervision and that the areas to be searched contain evidence of this violation. Any search must be conducted at a reasonable time and in a reasonable manner.

- * Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT: MICHAEL DAVID PITTS
CASE NUMBER: 3:16-CR-00016-JWD-RLB(1)

SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties is due as follows:

- A ☐ Lump sum payments of \$ _____ due immediately, balance due
☐ not later than _____, or
☐ in accordance ☐ C, ☐ D, ☐ E, or ☐ F below; or
- B ☒ Payment to begin immediately (may be combined with ☐ C, ☐ D, or ☒ F below); or
- C ☐ Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after the date of this judgment; or
- D ☐ Payment in equal _____ (e.g., weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E ☐ Payment during the term of supervised release will commence within _____ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F ☒ Special instructions regarding the payment of criminal monetary penalties:
 It is ordered that the Defendant shall pay to the United States a special assessment of \$100 for Count 1 which shall be due immediately. Said special assessment shall be paid to the Clerk, U.S. District Court. The restitution shall be due immediately, but nonpayment is not a violation of supervised release so long as the defendant makes the required monthly payments during supervision. Upon release from incarceration, any unpaid restitution balance shall be paid at a monthly rate determined by the Court. Such payments shall begin within 60 days after release from imprisonment.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

- ☐ Joint and Several
 See above for Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.
- ☐ Defendant shall receive credit on his restitution obligation for recovery from other defendants who contributed to the same loss that gave rise to defendant's restitution obligation.
- ☐ The defendant shall pay the cost of prosecution.
- ☐ The defendant shall pay the following court cost(s):
- ☒ The defendant shall forfeit the defendant's interest in the following property to the United States:
 Pursuant to 18 U.S.C. § 981(a)(1)(c) and 28 U.S.C. § 2461(c), the defendant shall forfeit to the United States any property, real or personal, which constitutes, or is derived from, proceeds traceable to the offense charged, including, but not limited to, a forfeiture money judgment in the amount of \$7,641,528, said amount being the proceeds obtained through the violation of 18 U.S.C. § 1343.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.

11-004444-0001